

Exceptional Security

We do all that we can for our banking customers. This includes advice on investment, finance and general business.

We are, however, pre-eminently a safe bank, our resources being very large in proportion to our deposits.

For every million dollars deposited with us, we have half a million of capital and surplus of our own in addition—all for the protection of our depositors and clients.

This is a wealth of security offered by very few banking institutions.

TITLE GUARANTEE & TRUST CO

Capital \$6,000,000
Surplus \$11,000,000

175 Broadway, 15th Fl., New York City
175 Broadway, 15th Fl., New York City
300 Putnam St., Jamaica 97, Jamaica, L. I. City
90 Bay Street, St. George, Staten Island

YOU CAN EAT—

With false teeth, but you can't see with glass eyes.

Are you giving your eyes proper attention? An eye examination takes but a few minutes, and it may save you hours of discomfort.

Glasses prescribed only when results can be assured.

"None Surpasses Macy's Glasses"

Macy's Optical Dept., Main Floor, Balcony.

Macy's
Herald Square New York

Prices Reduced on All Notions for this week

The hundred-and-one things that mount up so, priced so economically in this sale that you save a good deal. Get enough until our next sale. Main Floor.

"Your Department Store."
Bloomingdale's
Lexington to 3d Ave.—59th to 60th St.

GLOVES

English Cape and Raybuck, American Buckskin For Men

The World's Greatest Leather Store
404 Fifth Ave., New York; 233 B'way, Boston—145 Tremont Street, London—40 Regent Street

TRADE RECOVERY OF GERMANY SETS ASTOUNDING PACE

Basis of Sound Economic Structure Seen by U. S. Bankers Abroad.

REIGN OF PROSPERITY

Position in Foreign Markets Already Commanding Attention.

BANK REPORTS SPEAK

Fixing of Indemnity Will Find Country Financially Reestablished.

Confidential reports received from abroad by American bankers and merchants in the last few weeks furnish the basis for predictions in reliable financial quarters that the economic recovery of Germany is proceeding at a pace which, when all the facts become known, will astonish the world even more than the recovery of France after 1870.

Of the many facts which prove the headway being made by Germany two stand out as a new criterion for interpreting the official statements and news despatches reaching this side:

Germany is prospering internally beyond the wildest dream of even her most optimistic business leaders and is recouping her position in the foreign markets in a degree commensurate with her internal activity.

Through various ingenious devices the foundation is now being laid which will, as soon as the indemnity is fixed definitely by the allied powers, enable Germany to erect a sound financial structure over what now appears to be a great gaping bottomless chasm filled with nothing but paper money shovelled out by the billions at the Reichsbank.

Cryptic statements of the Imperial Bank of Germany which from week to week set forth enormous increases in the quantity of shipplasters, until now the total reaches nearly \$7,000,000,000 marks, or almost double the paper money at this time last year, and covered by a microscopic gold reserve of less than 2 per cent, give an altogether erroneous impression, according to the reports received here.

Tangible confirmation has been obtained for the first time that the total of the German note issue contains upward of about 20,000,000,000 marks in paper money owned by foreign investors which have been deposited in German banks. These marks are being held for a "long pull" speculation and are represented in the deposit figures of the various German banks. They have been sent to Germany, and after being credited to the account of the owner turned over to the Reichsbank. In the ordinary course these paper notes should have been cancelled by the Reichsbank and taken off the total of paper money in circulation, because they are no longer in circulation. But the Reichsbank simply has put them in the vaults and continued to include them in its note return.

Another important item in the German bank statement is the amount of bills discounted. This item fluctuates with the utmost disregard for the money market, a fact which the reports received here explain as a result of the foreign operations of German exporters, who have built up huge deposits abroad against exports and have been aided in this operation by freely discounting their foreign bills with the Reichsbank, thus obtaining funds to finance their business at home.

The amount of German owned balances abroad cannot be estimated, but it is believed to run into billions of marks.

Both the extension of the note issue by keeping large quantities of money in the Reichsbank and recording it as "in circulation" and the maintenance of heavy balances abroad help to depress the mark and make Germany appear worse off financially than she really is.

American and German Ministers at One Table

THE HAGUE, Jan. 19.—American and German Ministers dined at the same table last night when the Queen gave a State dinner to the heads of the diplomatic missions. It is believed that this is the first time since the war that the representatives of these two countries have appeared under such circumstances. The two Ministers, however, were seated far apart.

It is believed that the paper money in actual circulation in Germany is not much more than \$9,000,000,000 marks, and that the foreign exchange quotation on the mark would rally to 4 or 5 cents if all the foreign held balances owned by German merchants were taken home. As it is these balances can be used at any time to control the quotation for marks, and by keeping the price down the huge circulation at home is made to look plausible.

This, of course, is not done without a purpose. If Germany can be made to look bankrupt through the medium of the exchange market, it becomes unlikely that the indemnity will be fixed at as high a figure as otherwise might be the case. On the other hand, a low price for the mark in the international money market enables German merchants to fix high prices in terms of marks, on their exports. These marks have a much higher purchasing power at home than in foreign markets, and therefore keep down the level of wages and discourage any purchases abroad if the goods can possibly be obtained at home.

The average wage in Germany, according to official estimates, is about 40 marks a week. But at the current exchange quotation this amounts to only about 40 cents. In reality the domestic value of these 40 marks is nearer \$5 to \$6 a week, or even higher, when figured in terms of the commodities they will purchase in Germany at present prices. In contrast with what they would purchase at going prices abroad and at the current quotation of the mark.

It is believed that with the fixing of the German indemnity the Reichsbank will withdraw from "circulation" some of the paper money now stored in its vaults and that the true economic position will then begin to assert itself. As to the internal prosperity, this is evidenced by private reports from merchants in Germany and by the activities of industrial companies reflected in the huge dividends being paid, the high prices for their shares in the Berlin stock market and the numerous buildings being made to carry out huge contracts already on the books.

The following range of values is enlightening:

Share of	Oct. Nov. Gain or Loss.
Alig. Elek.-Gesellschaft.....	300 341 + 41
Bad. Anilin-Soda-Fab. A. G.....	315 605 + 90
Bochumer Verein für Bergbau und Gussstahlfabrikation.....	551 550 - 1
Deutsche-Lux. Bergwerke, etc.....	383 425 + 42
Fabrikfab. vorm. Bayer.....	458 499 + 41
Farb. Anilin & Brennstoff.....	408 499 + 91
Gelsen. Bergwerke A. G.....	395 590 + 195
Harpener Bergbau A. G.....	515 657 + 142
Mannesmann-Röhren-Werke.....	350 587 + 237
Maschinen-Fabrikation.....	354 500 + 146
Phosphor A. G.....	622 740 + 118
Rheinische Stahlwerke.....	525 580 + 55
Vereinigte Stahlwerke.....	295 319 + 24

The gains recorded in values as above are the unmistakable imprint of great prosperity in all branches of German industry. They are not mere speculative fluctuations, but are based on actual results by industries which enabled them to pay dividends, many of them as high as 30 per cent. Scarcely one of them let the year 1920 pass without distributing to their shareholders lump sum payments of at least 15 per cent.

The Glendener Bergwerke-Aktion-Gesellschaft, Glendener, has just completed a working agreement with the Deutsch-Luxemburgische Bergwerke and Hütten-A. G., under the control of Hugo Stinnes. The combination is to be known as the Rhine-Elbe-Union, and will also include the Selmsen-Schuckert group. The Glendener Bergwerke has issued 250,000 marks new capital. The deal completes what is probably the greatest mining combine in the world.

Many other consolidations have taken place, among them the Vereinigte Lausitzer Glaswerke, which has entered into a working agreement with the Siemens & Halske A. G. for the manufacture of electric bulbs. The glass works were taken at a price of 750 marks a share. Similar prosperity and working combinations are reported in the chemical industry. The Badische Anilin & Soda-Fabrik A. G. are to be taken into a merger with the Aniline Concern, and are being reorganized with a capital of 500,000,000 marks for the purpose. The Oberschlesische Kokswerke is likewise preparing to absorb a number of coke works in Upper Silesia, which will give it almost complete control of the coke production in that region.

'GOD' CANDAL IN GERMANY INVOLVES CHICAGO PACKERS

Official Charged With Receiving 20,000,000 Marks to Help Sale for Four Billions of Supplies.

Special Cable to THE NEW YORK HERALD. Copyright, 1921, by THE NEW YORK HERALD. New York Herald Bureau. Berlin, Jan. 19.

An investigation of contracts made between Chicago packers and the German Government has led to discoveries which promise to develop into the biggest scandal Germany has had in recent years. The packers sold to Germany meat, lard and bacon lying in Europe and originally intended for the United States Army for \$9,000,000, one-fourth of which was to be paid down in cash and the balance in quarterly installments.

Payments on the entire contract were refused because the German Government charged the food was partly spoiled while in storage. A new contract, however, was made in April whereby Germany obligated herself to take over all these stores and pay \$9,000,000,000 marks.

The contracts were negotiated for Germany by Director Dr. Pritschow, head of the foreign exchange office in the Ministry of Economics. The second contract is said to have been negotiated on behalf of the packers by two agents named Shafer and Huber.

Attention was drawn to the deals by a Reichstag interpellation in September. The Government meat and fat office then began an investigation, and as a result it is charged that Dr. Pritschow received personally nearly \$20,000,000 in connection with the contracts by which he obligated Germany to accept spoiled goods. The first reports of the results of the investigation will be published here to-morrow.

REPARATIONS MAIN QUESTION FOR FRANCE

Won't Recognize Russia Till Russia Recognizes Debt.

PARIS, Jan. 19.—The ministerial declaration in the Chamber of Deputies to-morrow will say that the Government will strive to obtain execution of the Versailles treaty without recourse to violence.

It will declare that the financial condition is entirely dominated, even conditioned, by the chief problem of reparations due by Germany. While striving to realize a vast plan of economy and endeavoring to adapt expenditure to revenue, the Government will devote its efforts to obtaining from Germany the execution of the treaty without violence if the German Government shows itself disposed to fulfill its engagements, both as regards disarmament and payment for the destruction caused by Germany.

The declaration will add that the maintenance of alliances sealed on the battlefield are essential both as regards Germany and to assure continuity of France's entire foreign policy, particularly in the East, where France will endeavor to maintain her acquired rights in conformity with secular tradition. As regards Russia, the declaration will say that the French Government, while permitting Frenchmen to trade freely with Russia, will not resume political relations with the Soviet Government as long as it abstains from giving guarantees that it is ready to respect the free expression of the will of the Russian people and international engagements of preceding Russian Governments.

MAY LET GERMANY PAY IN INSTALMENTS

No Likelihood of a Compromise on Other Sections.

LONDON, Jan. 19.—British official circles declare untrue reports from Berlin that the British and French representatives have arrived at a new basis for negotiating the reparations question. It is stated that the allied "lump sum" policy for reparations remains in force, but that a plan for five annual payments is being discussed in order to obtain a partial payment immediately.

The Allies will reserve the right to present Germany's total indemnity bill at any time, and it is declared that there is no likelihood of a compromise on other sections of the treaty, such as the German retention of upper Silesia, or a reduction in the armies of occupation as a reward to Germany, even if the annual payment plan is adopted.

GERMANY ACCEPTS FRENCH BASIC PLAN

Continued from First Page.

so work out that the French and Germans would combine where they had special advantages to gain from co-operation. For instance, French owners of ore might become part owners in German coal fields. The German Government would pay for the allied shares, and the sum so paid out would be credited to Germany's reparations account.

There is another provision relating to the yearly payment of materials such as coal, potash, wood, sugar, dyestuffs and electrical machinery, and again the materials remain in the custody of the German seller, but a percentage of the sales price goes to the reparations account.

The French proposals also specify that the utmost precautions be taken to the end that German industry never be dangerously taxed, it becoming an allied interest to see to it that German manufacture is restored to normal health as soon as possible. It is certain that the adoption of such a programme would divert permanently a large portion of the European trade into this new channel. Allied buyers, especially French, would come to Germany, where they would enjoy privileges no other country would be in a position to offer, while most of the German made goods would reach the world through allied sellers after having passed through the hands of the Reparations Commission.

In other words, Germany's war reparations would be paid for by foreign trade, and thus by maintaining German labor on a living scale would make it possible for German goods to compete in the world's markets and still yield a percentage of profit to the reparations fund.

The organization of the new French Cabinet by Aristide Briand is regarded here as an explicit guarantee that negotiations on this basis will be pressed.

ITALIAN AMBASSADOR COMING.

Rome, Jan. 18 (delayed).—Premier Giolitti to-day received Roland Ried, the new Ambassador to the United States, in a farewell audience. The Premier and the envoy had a long conversation regarding the latter's mission to America.

Signor Ried will sail from Naples on January 27 on board the *Repubblica d'Asolo*. He is accompanied by Commissioner Francesco Quattrone, High Commissioner of Italy in the United States, and will reach New York about February 10.

This Annual Sale of Alexander Shoes

Includes the surplus stock and discontinued styles for men, women and children. In addition, our standard lines are reduced to prices that we shall be able to continue only if costs are lowered as we anticipate they will be.

ANDREW ALEXANDER

SIXTH AVENUE CORNER 19TH ST. 548 FIFTH AVE ABOVE 45TH ST.

Downtown store easily reached by Sixth Ave. El. and Surface Cars. 7th Ave. Subway and Hudson Tubes.

A RUMMAGE SALE for the benefit of the Social Service Work of St. Mark's Hospital will be held at 736 Lexington Avenue on January 21st and 22nd, between 10 A. M. and 5 P. M. Donations will be received at 736 Lexington Avenue on Thursday, January 20th.

An advertisement in the Lost and Found columns of THE NEW YORK HERALD offers a real possibility of recovering your lost property.

The Man's Shop

A Floor of Complete Masculinity

There are the Twentieth Century Limited, the Ocean Greyhound and the Express Elevators to The Man's Shop at Lord & Taylor

Express Elevators to Revised Prices

THINGS have happened once more at The Man's Shop which enable it to make several choice offerings, temporarily, at wholesale prices or less.

Manufacturers willing to make sacrifices to finish up a disturbed season's business naturally have sought an outlet where the sacrifice in price may prove a prestige-making investment.

Several such instances have occurred among those who regularly turn out things offered in The Man's Shop—this time including makers of shoes, shirts, hats and hosiery.

SHOES
Three fine offerings at \$8.75—carrying you back to pre-war values, as compared with the high-price peak happily left behind.

One, a dark brown brogue Oxford shoe for Summer or Winter, of splendidly selected stock—a shoe of distinction for town or country; another, a brown cordovan high shoe with brown calf top, on English last; and a third, a cordovan brown high shoe of calf. All three are of latest style and luxuriously easy fitting.

SHIRTS
Two selections—one at \$2.95 and the other at \$3.95—both recently selling at very much higher prices. Tailored to meet The Man's Shop standard—five buttons, and with soft French cuffs of correct

dimensions—extremely well finished. At \$2.95, of all-woven madras and madras cords of fine foreign and domestic manufacture. At \$3.95, of imported all-woven madras, seen in the better custom shirt lines.

Both assortments of carefully picked stripes and colorings, from the most conservative to the limit of accepted usage.

HATS
At \$4.75—your choice of the season's best productions—averaging much less than original wholesale prices; in some instances one-half.

Fine black stiff hats and soft hats of newest American and English blocks, in seal brown, French brown, Italian green, Oxford, French gray and mixtures. All sizes. The retail prices of all these hats were consistent with the highest grades in this country.

HOSIERY
Full-fashioned Lisle half-hose at 75 cents a pair! Mercerized Lisle—reinforced soles and heels—in black, white, cordovan, navy, suede and tan. You know what you have been paying for full-fashioned Lisle hosiery.

Lord & Taylor

38th Street
The Man's Shop
10th Floor
FIFTH AVENUE
New York home of the
Biltmore Homespun Overcoats
39th Street
Express Elevators
Without Stop

Trunk Talks

What do you look for when you buy luggage? Strength?



IN point of strength, Basswood Veneer trunks surpass any ordinary luggage. Built of Basswood strips cemented together, these trunks will stand years of the hardest kind of usage without splitting or breaking.

Steamer Trunks

Fibre covered and interlined—regulation tray.

Sizes	Weight	Prices
37 x 21 x 12 inches	36 lbs.	\$45.50
40 x 22 x 13 inches	39 lbs.	47.50

HERALD—Fourth Floor Centre, Rear.

R. H. Macy & Co.
HERALD SQUARE Inc. NEW YORK